

# Worksession

<b>Agenda Item #</b>	2
<b>Meeting Date</b>	October 6, 2008
<b>Prepared By</b>	Sara Anne Daines HCD Director
<b>Approved By</b>	Barbara B. Matthews City Manager

<b>Discussion Item</b>	Discussion of Proposed Community Development Block Grant (CDBG) Projects																
<b>Background</b>	<p>Applications for CDBG-eligible capital and public service projects were solicited earlier this summer. A total of five public service applications were received by the August 25 deadline.</p> <p>To qualify for CDBG funding, a project must provide direct benefit to low- and moderate-income (LMI) persons or households. To meet this objective, the activity must have either income eligibility requirements that limit the activity's benefits to LMI persons or be located in and serve an area that is predominantly inhabited by LMI residents. Under the CDBG regulations, programs that serve the elderly or persons with disabilities are usually considered to benefit low- and moderate-income persons. Each activity must serve no less than 51% LMI persons. Not less than 70% of the City's overall CDBG activities must benefit LMI persons. Projects which address conditions of slum and blight are also eligible for funding.</p> <p>The proposals were reviewed by the CDBG Advisory Committee and funding recommendations were developed for Council consideration. Additional information on each of the requests is attached.</p> <p><u>Public Service Recommendations:</u></p> <table> <tr> <td>\$ 5,000</td><td>Manna Foods, Inc. <i>Smart Sacks Project</i></td></tr> <tr> <td>\$ 10,000</td><td>Crossroads Farmers Market <i>Opportunity and Community in the Crossroads</i></td></tr> <tr> <td>\$ 10,000</td><td>City of Takoma Park - CSAFE <i>Quality of Life Initiative</i></td></tr> <tr> <td><u>          </u></td><td></td></tr> <tr> <td>\$ 25,000</td><td>Total Public Service Projects</td></tr> </table> <p><u>Capital Improvement Project Recommendations:</u></p> <table> <tr> <td>\$140,000</td><td>City of Takoma Park <i>Affordable Housing Initiative</i></td></tr> <tr> <td><u>          </u></td><td></td></tr> <tr> <td>\$140,000</td><td>Total Capital Improvement Projects</td></tr> </table>	\$ 5,000	Manna Foods, Inc. <i>Smart Sacks Project</i>	\$ 10,000	Crossroads Farmers Market <i>Opportunity and Community in the Crossroads</i>	\$ 10,000	City of Takoma Park - CSAFE <i>Quality of Life Initiative</i>	<u>          </u>		\$ 25,000	Total Public Service Projects	\$140,000	City of Takoma Park <i>Affordable Housing Initiative</i>	<u>          </u>		\$140,000	Total Capital Improvement Projects
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<b>Policy</b>	To maximize funding resources available for programming which benefits the community's low and moderate income populations.																

<b>Fiscal Impact</b>	<p>Staff has been advised that the City will receive an estimated \$165,000 in CDBG funds in PY35 (FY10-11). Of this amount, not more than 15% of the funding can be allocated for community or public service projects with the balance directed toward eligible capital improvement projects.</p> <p>In the event the City's CDBG allocation is less or greater than anticipated, the approved project budgets would be reviewed. If a public service activity or capital project could not be completed as proposed at the reduced funding level, the funds would be reallocated to another project. Any significant changes in the programming of CDBG funds would be brought before the Council for consideration.</p>
<b>Attachments</b>	PY35 CDBG Project Listing and Benefit Matrix
<b>Recommendation</b>	Review and comment on the recommendations. A resolution approving proposed CDBG projects and authorizing their submission to Montgomery County is to be considered by the Council on October 13, 2008.
<b>Special Consideration</b>	Serving on the CDBG Advisory Committee were Megan Gallagher, Anand Parikh, Andrew Keleman, Sabrina Baron and Howard Kohn.

## PY-35 CDBG PUBLIC SERVICE PROJECTS

Estimated Funding Level: \$25,000 (15% of Anticipated Award)

<b>Project Name</b>	<b>Applicant</b>	<b>Description</b>	<b>Total Budget</b>	<b>CDBG Request</b>	<b>Beneficiaries Total / LMI</b>	<b>CDBG funds per Beneficiary</b>	<b>Prior CDBG Funding</b>	<b>Comments</b>
Community Based Research and Service	The Community Foundation for the National Capital Region	To engage low and moderate income and minority residents in Wards 4 and 5 in community based research activities such as data gathering, planning and analysis, and the development of actions designed to serve their neighborhoods. Project is intended to build capacity and social capital in the community's lower income neighborhoods, effectively targeting available resources.	\$25,105	\$12,000	80 Total 50 LMI  63% Benefit	\$150 person	No	\$25,000 included in FY09 budget for larger Community Indicators Project (city-wide)    NOT RECOMMENDED FOR FUNDING
Opportunity and Community in the Crossroads	Crossroads Farmers Market, Inc.	Bi-lingual marketing and educational initiative designed to improve access to fresh and locally grown foods, increase awareness of the nutritional benefits of fresh food, and to promote use of WIC and food stamps.	\$22,600	\$10,000	5 Total 5 LMI  100% Benefit	\$2,000 person	No	\$25,000 included in FY09 budget as operating subsidy for market   RECOMMENDED FOR FUNDING
Passport to Work	City of Takoma Park - Human Resources Division	Workforce development / on the job training program for at risk low income highschool students designed to expand upon basic skills learned in school, develop positive work habits, and provide practical experience in a professional setting.	\$73,710	\$73,710	10 Total 10 LMI  100% Benefit	\$7,371 person	No	New initiative   NOT RECOMMENDED FOR FUNDING

Quality of Life Initiative	City of Takoma Park - Police Department/CSAFE	Community engagement and problem-oriented policing initiative designed to address certain crime-related concerns raised by residents which adversely affect their quality of life - public urination, public drinking, prostitution and loitering, etc. - as reflected in recent resident survey.	\$18,112 (a)	\$18,112 (a)	3,395 Total 1,780 LMI  52% Benefit	\$5 person	No	Primary focus is on Ward 4 and Ward 5 (CDBG eligible areas)  RECOMMENDED FOR FUNDING AT REDUCED LEVEL-BUDGET ADJUSTED ACCORDINGLY  (a) Revised Budget \$10,000
Takoma Park Smart Sacks Program	Manna Foods, Inc.	Provision and distribution of back packs of kid-friendly food to LMI children at Piney Branch and Takoma Park Elementary Schools.	\$10,606	\$4,980	153 Total 153 LMI  100% Benefit	\$33 person	Yes  PY32	Second year of project  RECOMMENDED FOR FUNDING
		Total Requests	\$150,133	\$118,803				

**CITY OF TAKOMA PARK - Community Development Block Grant (CDBG) Program**  
**PY-35 CDBG CAPITAL PROJECTS**  
 Estimated Funding Level: \$140,000 (85% of Anticipated Award)

Applicant	Project	Description	Request	LMI Impact	\$ per LMI	Prior CDBG Funding	Comments
City of Takoma Park	Affordable Housing Initiative	<p>Capital funding in support of City’s affordable housing goals.</p> <p>Project(s) could include gap financing for the acquisition, demolition and/or renovation of existing housing, gap financing for new construction, down payment assistance, etc. Anticipated beneficiary could include affordable housing providers as well as LMI individuals. Projects may include affordable rental housing and/or home ownership opportunities.</p>	\$140,000	14 HH	\$10,000 per household	No	CDBG Advisory Committee recommends that specific projects be presented to the Committee for review and comment prior to the commit of funds as a part of the annual review process to ensure compliance with program requirements.
		Total Requests	\$140,000				